

ASSEMBLY BILL

No. 1881

Introduced by Assembly Member Donnelly

February 22, 2012

An act to amend Sections 84204, 84204.5, and 84211 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 1881, as introduced, Donnelly. Political Reform Act of 1974: campaign statements.

The Political Reform Act of 1974 requires elected officers, candidates, and campaign committees to file periodic campaign statements that include prescribed information, including the name, address, occupation, and employer of each person who made a cumulative amount of contributions of \$100 or more to the campaign statement filer. Under the act, campaign statements are public records and are required to be open for public inspection.

This bill would prohibit a committee that is not controlled by a candidate from disclosing in a campaign statement the name and address of a person who has made a cumulative amount of contributions to that committee in an amount less than \$5,000. The bill would require, upon the request of the Fair Political Practices Commission, that the committee provide the withheld information to the Commission, but that information would not be a public record and would not be open for public inspection. The bill would also make conforming changes.

Existing law makes a knowing or willful violation of the act a misdemeanor and subjects offenders to criminal penalties.

By creating additional crimes, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 84204 of the Government Code is
2 amended to read:
3 84204. (a) A committee that makes a late independent
4 expenditure, as defined in Section 82036.5, shall report the late
5 independent expenditure by facsimile transmission, guaranteed
6 overnight delivery, or personal delivery within 24 hours of the
7 time it is made. If a late independent expenditure is required to be
8 reported to the Secretary of State, the report to the Secretary of
9 State shall be by online or electronic transmission only. A late
10 independent expenditure shall be reported on subsequent campaign
11 statements without regard to reports filed pursuant to this section.
12 (b) A committee that makes a late independent expenditure shall
13 report its full name and street address, as well as the name, office,
14 and district of the candidate if the report is related to a candidate,
15 or if the report is related to a measure, the number or letter of the
16 measure, the jurisdiction in which the measure is to be voted upon,
17 and the amount and the date, as well as a description of goods or
18 services for which the late independent expenditure was made. In
19 addition to the information required by this subdivision, a
20 committee that makes a late independent expenditure shall include
21 with its late independent expenditure report the information
22 required by ~~paragraphs (1) to (5)~~ *subparagraphs (A) to (E)*,
23 inclusive, *of paragraph (1)* of subdivision (f) of Section 84211,
24 covering the period from the day after the closing date of the last
25 campaign report filed to the date of the late independent

1 expenditure, or if the committee has not previously filed a
2 campaign statement, covering the period from the previous January
3 1 to the date of the late independent expenditure. No information
4 required by ~~paragraphs (1) to (5)~~ *subparagraphs (A) to (E)*,
5 inclusive, *of paragraph (1)* of subdivision (f) of Section 84211
6 that is required to be reported with a late independent expenditure
7 report by this subdivision is required to be reported on more than
8 one late independent expenditure report.

9 (c) A committee that makes a late independent expenditure shall
10 file a late independent expenditure report in the places where it
11 would be required to file campaign statements under this article
12 as if it were formed or existing primarily to support or oppose the
13 candidate or measure for or against which it is making the late
14 independent expenditure.

15 (d) A report filed pursuant to this section shall be in addition to
16 any other campaign statement required to be filed by this article.

17 (e) Expenditures that have been disclosed by candidates and
18 committees pursuant to Section 85500 are not required to be
19 disclosed pursuant to this section.

20 SEC. 2. Section 84204.5 of the Government Code is amended
21 to read:

22 84204.5. (a) In addition to any other report required by this
23 title, a committee pursuant to subdivision (a) of Section 82013 that
24 is required to file reports pursuant to Section 84605 shall file online
25 or electronically with the Secretary of State each time it makes
26 contributions totaling five thousand dollars (\$5,000) or more or
27 each time it makes independent expenditures totaling five thousand
28 dollars (\$5,000) or more to support or oppose the qualification or
29 passage of a single state ballot measure. The report shall be filed
30 within 10 business days of making the contributions or independent
31 expenditures and shall contain all of the following:

32 (1) The full name, street address, and identification number of
33 the committee.

34 (2) The number or letter of the measure if the measure has
35 qualified for the ballot and has been assigned a number or letter;
36 the title of the measure if the measure has not been assigned a
37 number or letter but has been issued a title by the Attorney General;
38 or the subject of the measure if the measure has not been assigned
39 a number or letter and has not been issued a title by the Attorney
40 General.

(3) In the case of a contribution, the date and amount of the contribution and the name, address, and identification number of the committee to whom the contribution was made. In addition, the report shall include the information required by ~~paragraphs (1) to (5)~~ *subparagraphs (A) to (E)*, inclusive, *of paragraph (1)* of subdivision (f) of Section 84211, regarding contributions or loans received from a person described in that subdivision, covering the period from the day after the closing date of the last campaign report filed to the date of the contribution requiring a report under this section, or if the committee has not previously filed a campaign statement, covering the period from the previous January 1 to the date of the contribution requiring a report under this section. No information described in ~~paragraphs (1) to (5)~~ *subparagraphs (A) to (E)*, inclusive, *of paragraph (1)* of subdivision (f) of Section 84211 that is required to be reported pursuant to this subdivision is required to be reported in more than one report provided for in this subdivision for each contribution or loan received from a person described in subdivision (f) of Section 84211.

(4) In the case of an independent expenditure, the date, amount, and a description of the goods or services for which the expenditure was made. In addition, the report shall include the information required by ~~paragraphs (1) to (5)~~ *subparagraphs (A) to (E)*, inclusive, *of paragraph (1)* of subdivision (f) of Section 84211 regarding contributions or loans received from a person described in that subdivision, covering the period from the day after the closing date of the last campaign report filed to the date of the expenditure, or if the committee has not previously filed a campaign statement, covering the period from the previous January 1 to the date of the expenditure. No information described in ~~paragraphs (1) to (5)~~ *subparagraphs (A) to (E)*, inclusive, *of paragraph (1)* of subdivision (f) of Section 84211 that is required to be reported pursuant to this subdivision is required to be reported in more than one report provided for in this subdivision for each contribution or loan received from a person described in subdivision (f) of Section 84211.

(b) Reports required by this section are not required to be filed by a committee primarily formed to support or oppose the qualification or passage of a state ballot measure for expenditures made on behalf of the ballot measure or measures for which it is formed.

(c) Independent expenditures that have been disclosed by a committee pursuant to Section 84204 or 85500 are not required to be disclosed pursuant to this section.

SEC. 3. Section 84211 of the Government Code is amended to read:

84211. Each campaign statement required by this article shall contain all of the following information:

(a) The total amount of contributions received during the period covered by the campaign statement and the total cumulative amount of contributions received.

(b) The total amount of expenditures made during the period covered by the campaign statement and the total cumulative amount of expenditures made.

(c) The total amount of contributions received during the period covered by the campaign statement from persons who have given a cumulative amount of one hundred dollars (\$100) or more.

(d) The total amount of contributions received during the period covered by the campaign statement from persons who have given a cumulative amount of less than one hundred dollars (\$100).

(e) The balance of cash and cash equivalents on hand at the beginning and the end of the period covered by the campaign statement.

(f) ~~If~~ *(1) Except as provided in paragraph (2), if* the cumulative amount of contributions (including loans) received from a person is one hundred dollars (\$100) or more and a contribution or loan has been received from that person during the period covered by the campaign statement, all of the following:

~~(1)~~

(A) His or her full name.

~~(2)~~

(B) His or her street address.

~~(3)~~

(C) His or her occupation.

~~(4)~~

(D) The name of his or her employer, or if self-employed, the name of the business.

~~(5)~~

(E) The date and amount received for each contribution received during the period covered by the campaign statement and if the contribution is a loan, the interest rate for the loan.

1 ~~(6)~~

2 (F) The cumulative amount of contributions.

3 (2) *A campaign statement of a committee that is not a candidate*
4 *controlled committee shall not disclose the name or street address*
5 *of a person who has made a cumulative amount of contributions*
6 *to the committee that is less than five thousand dollars (\$5,000).*
7 *However, upon request of the Commission, the committee shall*
8 *provide the Commission any name and street address that are*
9 *withheld from a campaign statement pursuant to this paragraph.*
10 *A record provided to the Commission pursuant to this paragraph*
11 *that contains the name and street address of a contributor is not*
12 *a public record and shall not be open for public inspection.*

13 (g) If the cumulative amount of loans received from or made to
14 a person is one hundred dollars (\$100) or more, and a loan has
15 been received from or made to a person during the period covered
16 by the campaign statement, or is outstanding during the period
17 covered by the campaign statement, all of the following:

18 (1) His or her full name.

19 (2) His or her street address.

20 (3) His or her occupation.

21 (4) The name of his or her employer, or if self-employed, the
22 name of the business.

23 (5) The original date and amount of each loan.

24 (6) The due date and interest rate of the loan.

25 (7) The cumulative payment made or received to date at the end
26 of the reporting period.

27 (8) The balance outstanding at the end of the reporting period.

28 (9) The cumulative amount of contributions.

29 (h) For each person, other than the filer, who is directly,
30 indirectly, or contingently liable for repayment of a loan received
31 or outstanding during the period covered by the campaign
32 statement, all of the following:

33 (1) His or her full name.

34 (2) His or her street address.

35 (3) His or her occupation.

36 (4) The name of his or her employer, or if self-employed, the
37 name of the business.

38 (5) The amount of his or her maximum liability outstanding.

1 (i) The total amount of expenditures made during the period
2 covered by the campaign statement to persons who have received
3 one hundred dollars (\$100) or more.

4 (j) The total amount of expenditures made during the period
5 covered by the campaign statement to persons who have received
6 less than one hundred dollars (\$100).

7 (k) For each person to whom an expenditure of one hundred
8 dollars (\$100) or more has been made during the period covered
9 by the campaign statement, all of the following:

10 (1) His or her full name.

11 (2) His or her street address.

12 (3) The amount of each expenditure.

13 (4) A brief description of the consideration for which each
14 expenditure was made.

15 (5) In the case of an expenditure which is a contribution to a
16 candidate, elected officer, or committee or an independent
17 expenditure to support or oppose a candidate or measure, in
18 addition to the information required in paragraphs (1) to (4) ~~above~~,
19 *inclusive*, the date of the contribution or independent expenditure,
20 the cumulative amount of contributions made to a candidate,
21 elected officer, or committee, or the cumulative amount of
22 independent expenditures made relative to a candidate or measure;
23 the full name of the candidate, and the office and district for which
24 he or she seeks nomination or election, or the number or letter of
25 the measure; and the jurisdiction in which the measure or candidate
26 is voted upon.

27 (6) The information required in paragraphs (1) to (4), inclusive,
28 for each person, if different from the payee, who has provided
29 consideration for an expenditure of five hundred dollars (\$500) or
30 more during the period covered by the campaign statement.

31 For purposes of subdivisions (i), (j), and (k) only, the terms
32 “expenditure” or “expenditures” mean any individual payment or
33 accrued expense, unless it is clear from surrounding circumstances
34 that a series of payments or accrued expenses are for a single
35 service or product.

36 (l) In the case of a controlled committee, an official committee
37 of a political party, or an organization formed or existing primarily
38 for political purposes, the amount and source of any miscellaneous
39 receipt.

(m) If a committee is listed pursuant to subdivision (f), (g), (h), (k), (l), or (q), the number assigned to the committee by the Secretary of State shall be listed, or if no number has been assigned, the full name and street address of the treasurer of the committee.

(n) In a campaign statement filed by a candidate who is a candidate in both a state primary and general election, his or her controlled committee, or a committee primarily formed to support or oppose such a candidate, the total amount of contributions received and the total amount of expenditures made for the period January 1 ~~through~~ to June 30, *inclusive*, and the total amount of contributions received and expenditures made for the period July 1 ~~through~~ to December 31, *inclusive*.

(o) The full name, residential or business address, and telephone number of the filer, or in the case of a campaign statement filed by a committee defined by subdivision (a) of Section 82013, the name, street address, and telephone number of the committee and of the committee treasurer. In the case of a committee defined by subdivision (b) or (c) of Section 82013, the name that the filer uses on campaign statements shall be the name by which the filer is identified for other legal purposes or any name by which the filer is commonly known to the public.

(p) If the campaign statement is filed by a candidate, the name, street address, and treasurer of any committee of which he or she has knowledge which has received contributions or made expenditures on behalf of his or her candidacy and whether the committee is controlled by the candidate.

(q) A contribution need not be reported nor shall it be deemed accepted if it is not cashed, negotiated, or deposited and is returned to the contributor before the closing date of the campaign statement on which the contribution would otherwise be reported.

(r) If a committee primarily formed for the qualification or support of, or opposition to, an initiative or ballot measure is required to report an expenditure to a business entity pursuant to subdivision (k) and 50 percent or more of the business entity is owned by a candidate or person controlling the committee, by an officer or employee of the committee, or by a spouse of any of these individuals, the committee's campaign statement shall also contain, in addition to the information required by subdivision (k), that person's name, the relationship of that person to the committee,

1 and a description of that person's ownership interest or position
2 with the business entity.

3 (s) If a committee primarily formed for the qualification or
4 support of, or opposition to, an initiative or ballot measure is
5 required to report an expenditure to a business entity pursuant to
6 subdivision (k), and a candidate or person controlling the
7 committee, an officer or employee of the committee, or a spouse
8 of any of these individuals is an officer, partner, consultant, or
9 employee of the business entity, the committee's campaign
10 statement shall also contain, in addition to the information required
11 by subdivision (k), that person's name, the relationship of that
12 person to the committee, and a description of that person's
13 ownership interest or position with the business entity.

14 (t) If the campaign statement is filed by a committee, as defined
15 in subdivision (b) or (c) of Section 82013, information sufficient
16 to identify the nature and interests of the filer, including:

17 (1) If the filer is an individual, the name and address of the
18 filer's employer, if any, or his or her principal place of business
19 if the filer is self-employed, and a description of the business
20 activity in which the filer or his or her employer is engaged.

21 (2) If the filer is a business entity, a description of the business
22 activity in which it is engaged.

23 (3) If the filer is an industry, trade, or professional association,
24 a description of the industry, trade, or profession which it
25 represents, including a specific description of any portion or faction
26 of the industry, trade, or profession which the association
27 exclusively or primarily represents.

28 (4) If the filer is not an individual, business entity, or industry,
29 trade, or professional association, a statement of the person's nature
30 and purposes, including a description of any industry, trade,
31 profession, or other group with a common economic interest which
32 the person principally represents or from which its membership
33 or financial support is principally derived.

34 SEC. 4. No reimbursement is required by this act pursuant to
35 Section 6 of Article XIII B of the California Constitution because
36 the only costs that may be incurred by a local agency or school
37 district will be incurred because this act creates a new crime or
38 infraction, eliminates a crime or infraction, or changes the penalty
39 for a crime or infraction, within the meaning of Section 17556 of
40 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.
3 SEC. 5. The Legislature finds and declares that this bill furthers
4 the purposes of the Political Reform Act of 1974 within the
5 meaning of subdivision (a) of Section 81012 of the Government
6 Code.

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